

NAUTILUS, INC.
Form 4/A
January 08, 2007

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Endowment Capital Group, L.P.

2. Issuer Name and Ticker or Trading Symbol
NAUTILUS, INC. [NLS]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
1105 NORTH MARKET STREET, 15TH FLOOR

3. Date of Earliest Transaction (Month/Day/Year)
02/01/2006

____ Director
____ Officer (give title below) Other (specify below)
____ 10% Owner
____ Former 10% Owner

(Street)
WILMINGTON, DE 19801

4. If Amendment, Date Original Filed (Month/Day/Year)
02/03/2006

6. Individual or Joint/Group Filing (Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|-----|-------|
| | | | | (A) or (D) | Code | V | Amount | (D) | Price |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security | 2. Conversion or Exercise | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any | 4. Transaction Code | 5. Number of Derivative Securities | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying | 8. I. Der. Des. Sec. |
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|------------------------------------|--|-----------------------------------|----------------------|
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|------------------------------------|--|-----------------------------------|----------------------|

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| (Instr. 3) | Price of Derivative Security | (Month/Day/Year) | (Instr. 8) | Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | | | | Securities (Instr. 3 and 4) | | |
|---------------|------------------------------|------------------|------------|---|-------|-----|------------------|-----------------------------|-------|----------------------------|
| | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| NLS+GC (call) | \$ 15 | 02/01/2006 | S | | 4,000 | | 01/19/2006 | 07/01/2006 | NLS | 400,000 |
| NLS+GC (call) | \$ 15 | 02/02/2006 | S | | 1,500 | | 01/19/2006 | 07/01/2006 | NLS | 150,000 |
| OND+AC (call) | \$ 15 | 02/02/2006 | S | | 5,000 | | 01/19/2006 | 01/01/2006 | NLS | 500,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|------------------|
| | Director | 10% Owner | Officer | Other |
| Endowment Capital Group, L.P. 1105 NORTH MARKET STREET 15TH FLOOR WILMINGTON, DE 19801 | | | | Former 10% Owner |

Signatures

/s/ Philip C. Timon, in his capacity as sole managing member of Endowment Capital Management, LLC, the sole general partner of Endowment Capital Group, L.P. 01/04/2007

__Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) After the transactions set forth in Table II of this Form 4, Endowment Capital, L.P., and Long Drive, L.P., each a Delaware limited partnership (collectively, the "Limited Partnerships"), own in the aggregate 2,143,829 shares of the Common Stock, no par value per share (the "Shares"), of Nautilus, Inc., a Washington corporation (the "Company") as of February 2, 2006 (the "Reporting Date"). In addition, the Limited Partnerships own, in the aggregate, various derivative securities (calls) that give the Limited Partnerships the right to acquire 1,050,000 Shares (together with the Shares, the "Securities"). Endowment Capital Group, LLC, a Delaware limited liability company ("Endowment LLC"), is the sole general partner of each of the Limited Partnerships. Mr. Philip C. Timon is the sole managing member of Endowment LLC. As a result, Mr. Timon possessed the sole power to vote and the sole power to direct the disposition of the Securities held by the Limited Partnerships.
- (2) Thus, as of the Reporting Date, for the purposes of Reg. Section 240.13d-3, Endowment Capital Group, L.P., a Delaware limited partnership ("Group"), is deemed to beneficially own no Shares, or approximately 0.0% of the Shares deemed issued and outstanding as of the Reporting Date. Group's interest in the Securities is limited to its pecuniary interest, if any, in the Limited Partnerships. This Form 4 does not represent a new purchase or sale of Securities but merely reflects a change in the reporting structure in that only Mr. Timon, not Group, is the reporting person with respect to the Securities held by the Limited Partnerships as of the Reporting Date. Concurrently with the filing of this Form 4, Mr. Timon has caused a Form 4 to be filed with the Securities and Exchange Commission ("SEC") on his

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behalf, which sets forth that only Mr. Timon is the reporting person for the Securities held by the Limited Partnerships as of the Reporting Date.

- In any event, as a result of the transactions set forth in Table II of this Form 4, Mr. Timon ceased to beneficially own, as of the Reporting Date, more than ten percent (10%) of any class of any equity security, or securities convertible into such equity securities, of the Company. Accordingly, for the purposes of Section 16 of the Securities Exchange Act of 1934, as amended, Mr. Timon ceased to be a reporting person.
- (4) This transaction was previously reported on a Form 4 filed with the SEC on February 3, 2006.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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